

- The Chair of the Task and Finish group thanked the committee for the opportunity to present the group's work and hoped that the completed work met the Committee's and their brief's requirements.
- In the report was a recommendation to accept the report and approve the submission of the Housing Strategy to Council but equally important was the second recommendation which concerned the lobbying of Government to return to the system where payment of the housing benefit element of welfare benefit was made directly to landlords to encourage them to offer more properties and secondly, that section 21 of the Housing Act 1988 should be reviewed and revised in order to provide greater tenancy security.
- The Chair of the Task and Finish expressed his appreciation and thanks for the support and endeavours of all those involved in producing the new Homelessness Strategy; the elected members, many of whom were on the Committee, the Neighbourhood Project Manager from Cross Keys Homes who was the co-opted member of the group, Council officers and various other supporting agencies. The Chairman expressed particular thanks to the Housing Needs Manager and his team for their guidance, without which they would not have achieved so much.
- Councillors welcomed the report and suggested that the local MP should be brought onside to add their support.
- The group chairman directed the Committee to the action plan contained within the report and the target dates that were provided for each of the actions on the plan.
- The new Homelessness Reduction Act would come into force on 3 April 2018 and would bring about major changes to the way the housing team worked. It was expected that these changes would result in significant challenge ultimately leading to case law which would alter the legislation.
- Traditionally homelessness strategies were for a period of five years but this strategy was only for two years because of the expected changes to the legislation. A new Housing Strategy would be brought back in two years' time when there would more understanding of how the legislation sat and what the Council's responsibilities were.
- Officers assured Members that they would be regularly briefed on the progress of the strategy and they would seek to provide monthly briefing notes on progress against the plan.
- The Committee Chairman commented on the hard work that had been put into producing the report and felt that the Adults and Communities Scrutiny Committee, to its credit, had raised the profile of the homelessness issue.
- Members felt that there was some conflict between the two parts of the second recommendation; payment of the housing benefit element of welfare benefit direct to landlords and revision of section 21 powers, in that one seemed to be in the interests of landlords and the other against.
- Payment of the housing benefit element of welfare benefit direct to landlords was a way of protecting tenants as sometimes temptation was too great and the service wanted tenants to pay their rent so that they avoided eviction. Additionally, landlords needed to be offered some security so that accommodation could be accessed both within the social housing and private sectors.
- It had become very apparent that Section 21 of the Housing Act 1988 had been used to evict people from their homes without any justification. The Task and Finish group felt that this was very unfair and that people should be given reasonable justification for why they were losing their homes and that this power should not be abused and used as a threat.
- Use of section 21 of the Housing Act 1988 was the biggest cause of homelessness nationally and the recommendation to review it was supported by many other Councils.

RECOMMENDATIONS:

The Adults and Communities Scrutiny Committee considered the report and **RESOLVED** to recommend that;

1. The Homelessness Strategy 2018 - 2020 be endorsed and to be taken to Cabinet for approval and adoption.
2. The Cabinet Member for Growth, Planning, Housing and Economic Development contacts (i) the Secretary of State for Housing, Communities and Local Government, (ii) the Secretary of State for Work and Pensions, and (iii) the Local Government Association, seeking their support to amend legislation so that:
 - (a) the Housing Benefit element of welfare benefit payments are paid direct to landlords rather than to tenants, in an attempt to encourage more landlords to offer their properties for homeless households or those at risk of becoming homeless; and,
 - (b) Section 21 of the Housing Act 1988 (*Recovery of Possession on Expiry or Termination of Assured Shorthold Tenancy*) is reviewed with a view to ending its widespread use, and in its place introduce legislation that provides for greater tenancy security in the private rented sector.

51. NEW COUNCIL HOUSE PROVISION

The Housing & Strategic Planning Manager introduced the report which provided the Committee with the national context relevant to the delivery and ownership of social housing stock by local authorities in general, and also the background to the delivery and ownership of social housing stock by Peterborough City Council.

The Adults and Communities Scrutiny Committee debated the report and in summary, key points raised and responses to questions included:

- The report was presented to the Committee following a motion that was carried at Full Council on 24 January 2018 which asked the Committee to look at the benefits, social value and business case for new council house provision in Peterborough.
- There was a shift in the Government's focus from Council owned housing to housing association owned housing and in the 1980's a largescale transfer of Council housing stock to Housing Associations started. This was accompanied by major changes in funding which resulted in a dramatic reduction of the numbers of new local authority owned social housing dwellings being built but a significant increase in the number of Housing association homes being built.
- There had been a shift away from the role of statutory provider of traditional council housing for local authorities towards a housing delivery enabler role and this was being done through a range of delivery vehicles, such as building through general funds accounts, developing joint venture housing company partnerships with other providers and establishing wholly owned local authority housing companies.
- The report indicated that there had been a notable shift towards housing companies as the preferred choice of housing delivery vehicle particularly for local authorities that no longer had their housing stock such as Peterborough. However this was also being taken up by authorities that retained their housing stock as it offered different flexibilities as a means of providing affordable housing.
- In 2004 Peterborough City Council transferred its housing stock of 10,000 homes to the Registered Provider (RP) Cross Keys Homes (CKH) as it was concluded that the Council would be unable to generate the money needed to bring its homes up to the standard required by Government.
- In 2016 a Council task and finish group recommended that the Council should finance and build new homes to meet specific needs and that it should finance more building of affordable rented housing by supporting housing associations with access to finance.
- Partly in response to the task and finish group's recommendations, a Joint Venture (JV) housing company, Medesham Homes, was set up with Cross Keys Homes. The joint

venture meant that the Council could access the skills that CKH brought to aid delivery and management of the housing stock once completed and also share the financial input to support the delivery of new homes.

- Peterborough Council had allocated £20m 'invest to save' capital to support the Council's share of investment in future schemes to be delivered by the JV. Council had also agreed that £14.6m funds accumulated from capital receipts received from Cross Keys Homes from Right to Buy sales would be directed to the housing company to build new affordable homes in Peterborough.
- The Housing register was a vehicle for all housing associations, not just Cross Keys Homes, to advertise their properties.
- The Housing & Strategic Planning Manager investigated the number of people/households on the waiting list for Housing going back to 2006 for the same quarter, April to June, each financial year and reported that between 2006 and 2013 the figures ranged from 6,500 to 9,000. In 2013 there was a significant change in the housing allocation policy and the criteria to go on the register was changed. In 2014 there were 2,688 households on the register and it has remained around that figure ever since.
- Although there had been a reduction in the number of people on the register there had also been a reduction in the number of houses; down to 182 and 228 in the last two years from previous levels of 300 and 380.
- As an up to date snap shot of the situation, for the week ending 4 March 2018 there were 2847 people on the housing register and for that week, not quarter, there were 14 properties advertised.
- People were much less likely to give up their tenancy than previously as because of changes to the security of tenure people stayed put and did not want to risk moving.
- In 2014/15, the authority delivered 1342 net completions of new homes of which 492 (37%) was affordable housing. In 2015/16 the figures were 928 net completions, of which 167 (18%) was affordable housing and in 2016/17 the figures were 1201 net completions, of which 135 (11%) was affordable housing. The count of net completions for the 2017/18 year had not yet been done but it was expected that 131 affordable homes would be delivered.
- The first scheme to be delivered by Medesham Homes, which was already on site at Midland Road, would deliver 29 social homes for rent. Councillors questioned whether the pace of this delivery was fast enough in light of the amount of money invested.
- All of the funds had not already been spent and in the next three years schemes in the pipeline would deliver a further 392 homes.
- The money that had been made available to the Joint venture was there to back up other forms of capital investment from the Combined Authority and the HCA (Homes and Community Agency)
- The Combined Authority had a budget of £170m to deliver affordable housing in Peterborough and Cambridgeshire over a five year period from April 2017 and Medesham Homes would be submitting bids to access these funds to support its delivery programme over the next few years.
- Investment in Medesham Homes needed to be made to try and alleviate the acute problem of temporary accommodation that the Council was facing.
- It was felt that there was some pace now to lessen and hopefully stop altogether the use of Bed and Breakfast (B & B) style accommodation as increased usage of this type of accommodation had caused costs to spiral and were unsustainable. The savings from not using B & B's would counter balance some of the costs involved in setting up the Medesham Homes joint venture.
- The Medesham Homes developments were for the long term and would take time to come to fruition. Outside of the Medesham board process the Council was looking at a whole raft of measures and shorter term interventions to reduce the use of temporary accommodation such as working differently with the private sector to enable leases to come forward on a long term basis, bringing empty homes back into use and investing in shorn service to prevent homelessness occurring in the first place.

- With Medesham Homes, the Council would have more of an enabling role and be able to directly influence the level and type of housing that was delivered. Prior to having Medesham Homes the Council had to rely on its Housing Association partners and whilst it monitored them and advised them on what sort of housing was required in the City it was unable to tell them to build more homes.
- The Council encouraged Housing Associations to build two bedroomed houses and to provide more rented instead of shared ownership properties and tried to have sympathetic planning rules and provide support with bids they were making.
- As the Medesham Homes joint venture had received funds upfront there would be control mechanisms in place to make sure they were delivering all that they should be.
- The Board would ultimately make the decisions but as a joint partnership with a vested interest in Peterborough residents those decisions would reflect the housing situation and help improve things.
- The Council would present the housing pressures to the Board who would then produce bids. If the bids did not meet the Council's needs then they would not be commissioned.
- The decision on whether or not the money was spent was delegated to directors with oversight from the Leader and was a very lean procedure.
- Operationally, a live tracker tool had been set up which week by week showed what demand was looking like and what the supply was like so that at any time the Council could go to Medesham homes and any other provider and say, for example, that things were not moving in the right direction and investment needed to be increased in certain places or delivery needed to be focussed elsewhere.
- Officers had been looking at the governance arrangements for the Medesham Homes joint venture and had suggested that a progress board be set up. Subject to agreement, the board would have Member involvement, including Scrutiny and Cabinet, and would oversee Medesham Homes' progress against targets and help to maintain traction.

AGREED ACTIONS

The Committee RESOLVED to:

1. Note the challenges to delivering council houses in the traditional sense for Peterborough as a local authority that has transferred its housing stock and no longer has a Housing Revenue Account
2. Note the mechanism that the Council had already put in place to enable the provision of social housing that Peterborough City Council was directly engaged in delivering, through the establishment of the housing joint venture with Cross Keys Homes, Medesham Homes

RECOMMENDATIONS:

The Committee RESOLVED to recommend to full Council that

1. The Council's focus for delivering social housing should continue to be through the now established joint venture housing company, Medesham Homes, rather than seeking to return to providing council housing in the traditional sense; this vehicle having the flexibility to deliver a range of tenures and to take advantage of the capability of each partner to provide land, funding and capacity and share risk when responding to the challenges of austerity and the housing crisis

52. MONITORING SCUTINY RECOMMENDATIONS

The Democratic Services Officer introduced the report which provided the Committee with a record of recommendations made at the previous meeting and the outcome and progress of those recommendations to consider if further monitoring was required.

AGREED ACTIONS

The Adults and Communities Scrutiny Committee **RESOLVED** to consider the response from Cabinet Members and Officers to the recommendations made at the previous meeting, as attached in Appendix 1 of the report and agreed that no further monitoring of the recommendations was required.

53. FORWARD PLAN OF EXECUTIVE DECISIONS

The Committee received the latest version of the Council's Forward Plan of Executive Decisions, containing key decisions that the Leader of the Council anticipated the Cabinet or individual Cabinet Members would make during the course of the forthcoming month. Members were invited to comment on the Plan and where appropriate identify any relevant areas for inclusion in the Committee's work programme

AGREED ACTIONS

The Committee noted the Forward Plan of Executive Decisions.

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CHAIRMAN
7.00pm - 8.00pm